

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 23-20309-CR-ALTMAN/REID

UNITED STATES OF AMERICA

v.

GABRIEL RAMON DIAZ CENDAN,

Defendant.

FACTUAL PROFFER

The United States of America (the “United States”) and defendant Gabriel Ramon Diaz Cendan (the “defendant”) agree that, were this case to proceed to trial, the United States would prove beyond a reasonable doubt the following facts, among others, which occurred in the Southern District of Florida and elsewhere:

The Economic Injury Disaster Loan Program

One response to the COVID-19 outbreak was an expansion of an existing disaster-related program – the Economic Injury Disaster Loan (“EIDL”) – to provide for loan assistance (including \$10,000 advances) for small businesses and other eligible entities for loans up to \$2 million. The EIDL proceeds could be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred; however, such loan proceeds were not intended to replace lost sales or profits, or for the expansion of a business. The United States Small Business Administration (“SBA”) administered the program.

EIDL funds were issued directly from the United States Treasury, and applicants applied for EIDL funds directly through the SBA via an online portal and application. The EIDL application process, which also used certain outside contractors for system support, collected

information concerning the business and the business owner, including: information about the gross revenues for the business prior to January 31, 2020, and the cost of goods sold. Applicants electronically certified that the information provided was true and accurate and were warned that any false statement or misrepresentations, or any misapplication of loan proceeds, may result in sanctions, including criminal penalties.

EIDL applications were received in and processed using computer servers located in the states of Iowa, Virginia, and Washington. EIDL disbursement payments were initiated by the SBA using computer servers located in the state of Colorado, which transmitted the payment information to the Treasury using computer servers located in the state of Virginia.

Overview of the Defendant's Conspiracy

From approximately March 2020 through at least December 2020, in Miami-Dade County, in the Southern District of Florida, the defendant conspired with Co-Conspirator 1 and others to file false and fraudulent EIDL applications and share in the resulting proceeds. The defendant and Co-Conspirator 1 prepared the applications on behalf of entities they controlled, as well as entities controlled by other co-conspirators. The defendant and Co-Conspirator 1 charged their co-conspirators a fee—generally 12 to 15%—for preparing and submitting the application. In turn, the defendant and Co-Conspirator 1 shared the commissions equally.

The defendant and Co-Conspirator 1 made materially false and fraudulent misrepresentations in the EIDL applications to ensure the applications would be approved and to maximize the size of both the loans and the advances. For each application, the conspirators misrepresented the applicant's (i) gross revenue; (ii) cost of goods sold; (iii) number of employees; and/or (iv) business activity.


The defendant personally submitted two fraudulent loans on behalf of two entities he

controlled. Those loans generated approximately \$281,900 in fraud proceeds.

Conclusion


The parties agree that these facts, which do not include all facts known to the United States and the defendant, are sufficient to prove Count 1 of the Indictment.

Date: 11/15/23

MARKENZY LAPOINTE
UNITED STATES ATTORNEY
By: 

ELI S. RUBIN
ASSISTANT UNITED STATES ATTORNEY

Date: Nov 15

By: 

OSCAR S. RODRIGUEZ
COUNSEL FOR DEFENDANT

Date: Nov 15

By: 

GABRIEL RAMON DIAZ CENDAN
DEFENDANT